

they are required to pay under current law. In addition, it would preempt the minimum wage laws of the CNMI. That preemption also is considered a mandate.

To estimate the direct cost to employers of raising the minimum wage (that is, the cost of the new requirement absent any change in their behavior), CBO used information on the number of workers whose wages would be affected in May 2007 and subsequent months, the wage rates these workers would receive in the absence of the bill, and the number of hours for which they would be compensated. The estimate was made in two steps. First, CBO used data from the Current Population Survey to estimate how much it would have cost employers to comply with the mandate had they been required to do so in late 2006. Second, that estimate was used to project the costs to employers beginning in May 2007, taking into account the expected decline over time in the number of workers in the relevant wage range. Those estimates take into account the fact that some states already have, or will have, minimum wages higher than the current federal minimum wage.

CBO estimates that the costs to state, local, and tribal governments would exceed the threshold established by UMR for intergovernmental mandates (\$66 million in 2007, adjusted annually for inflation) in each year beginning in fiscal year 2008. We also estimate that the costs to the private sector would exceed the annual threshold established in the law for private-sector mandates (\$131 million in 2007, adjusted annually for inflation) in each year beginning in fiscal year 2007. The following table summarizes the estimated costs of those mandates.

ESTIMATED COSTS OF MANDATES IN H.R. 2429

	By fiscal year, in billions of dollars—				
	2007	2008	2009	2010	2011
COSTS TO STATE, LOCAL, AND TRIBAL GOVERNMENTS					
Increase the federal minimum wage .....	*	0.1	0.2	0.3	0.3
DIRECT COST TO THE PRIVATE SECTOR					
Increase the federal minimum wage .....	0.3	1.5	4.0	5.7	5.0
Apply the minimum wage to the CNMI .....	*	0.1	0.1	0.2	0.2

Note: \* = Less than \$50 million.

Estimate prepared by: Federal Costs: Christina Hawley Anthony; Impact on State, Local, and Tribal Governments: Theresa Gullo; Impact on the Private Sector: Ralph Smith.

Estimate approved by: Robert A. Sunshine, Assistant Director for Budget Analysis and Bruce Vavrichek, Assistant Director for Health and Human Resources.

Mr. Speaker, I yield 2½ minutes to another member of the Ways and Means Committee, the gentleman from Pennsylvania (Mr. ENGLISH).

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I rise as a longtime advocate of raising the minimum wage, as someone who supports the McKeon-McCrery alternative because it is balanced and provides incentives for investment and small business and job creation. As someone who worked 10 years ago for the last increase for the minimum wage, working very closely with my then colleague Mr. Quinn of Buffalo, we were able to achieve that.

Today, we have an opportunity to raise the minimum wage, but because of the procedural restrictions we face on the floor some are going to be left

behind and that is particularly disappointing.

While H.R. 2 will provide a \$2.10 raise for American workers, sadly, it fails to take into account many Americans with disabilities who are in our workforce. These are disabled Americans who receive SSI disability benefits who are active participants in the workforce and maintaining jobs that give them great satisfaction. Unfortunately, they are left behind because, currently, SSI beneficiaries are limited to \$900 per month in order to remain eligible to receive benefits. If the wage hike under consideration today goes into law without raising an earnings limit for people on SSI, Americans with disabilities engaged in full-time employment would either potentially lose their benefits or have to cut back on their hours. That is a decision they shouldn't have to make.

Mr. Speaker, this is not only a disincentive to work, it is a woefully shortsighted policy, which hopefully we will be able to correct before this law goes into effect.

I introduced H.R. 290 which would ensure that workers with disabilities would not lose their payments through raising the earnings limitation on SSI. I wasn't able to offer that provision today because no amendments are being allowed. The result, unfortunately, is, having barred Republicans from having offered this change as an amendment, the majority has created as real victims not House Republicans but Americans with disabilities. And that is a shame.

Although an increase in the minimum wage is critical, and I strongly support this bill, I sincerely hope that the new majority will move ultimately to rectify this inequity in this Congress.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1½ minutes to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Speaker, I thank the gentleman.

Mr. Speaker, we finally are going to raise the minimum wage. No gimmicks, no combination with extraneous legislation, just a straight up or down vote to raise the minimum wage from what has become the lowest purchasing power in half a century.

New Jersey instituted a fair living wage a year or so ago; and, guess what, the increase did not result in layoffs. That indeed has been the experience of every previous increase around the country. With a minimum wage salary of a little over \$10,000 a year, health premiums are that much, how do you expect a family to get along? This will benefit 13 million people, millions of children, millions with children to support, millions as head of household.

Now, you have heard about the fairness and the compassion arguments for this increase. We really must emphasize the solid economic arguments that this increase, like all previous increases, will benefit the entire econ-

omy. Workers will benefit. Businesses will benefit. Far from lopping off the lowest rung of the ladder, as our colleagues have argued, this will raise the entire ladder. The economics are clear. We have seen it again and again.

Mr. MCCRERY. Mr. Speaker, I yield myself such time as I may consume.

The gentleman from New Jersey talked about the experience in New Jersey of increasing the minimum wage, and he stated that no jobs were lost. He didn't cite any study to that effect. He just stated it. There are studies, though, that show that after the increase in minimum wage in the 1990s, there were, in fact, job losses. 146,000 jobs were cut from restaurant payrolls, and operators of restaurants signaled plans to postpone hiring an additional 106,000 new employees because of the raise of the minimum wage. And, also, the Bureau of Labor Statistics data shows that following the increase in minimum wage, net increase in jobs were significantly reduced around the country. And whether that is a coincidence or not, we don't know, but certainly the evidence is fairly clear that there was an impact.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas, a member of the Ways and Means Committee, Mr. BRADY.

Mr. BRADY of Texas. Mr. Speaker, I think we are missing a historic opportunity to change the paradigm to really help workers get into a living wage for the long term. The fact is, an increase to \$7.25 an hour will still leave a single mom with a child at or near poverty. And there is no doubt that a video store owner in Texas or anywhere else with five workers, when faced with a \$25,000 increase in payroll and no chance they are going to rent that many more videos, are going to look at whether they can afford all those workers.

Remembering well the minimum wage jobs I held when younger and also having worked hard to make a small business payroll, I think we need new thinking. America's goals should not be to raise the minimum wage; our goals should be to get workers off it and into good-paying jobs that you can raise a family on.

So rather than recycle the same 60-year-old arguments, why don't we help workers break out of the minimum wage trap? Rather than raise the minimum wage, let employers create education debit cards where workers can take those debit cards to the local community college or the trade schools so they can get a real job. Let business and professions, whole industries contribute to those debit cards so we can train workers for the jobs of today which are crying for many American workers. And since Congress is eager to do this pay raise on someone else's dime, let small businesses deduct and receive credit those dollars, receive a tax credit for their education contributions above the current state of minimum wage.